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Janine Yorio and Everyrealm Inc.

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

JANINE YORIO and EVERYREALM INC.,
Plaintiffs,
v.
TEYO JOHNSON,
Defendants.

CASE NO. 2:23-cv-00905

COMPLAINT AND JURY DEMAND

INTRODUCTION

1. Janine Yorio hired ex-NFL player Teyo Johnson to work for the company she and her cofounders had built from the ground up, entrusting him with a client-facing role to represent their company. After he joined the company, Mr. Johnson refused to collaborate with women who had more experience than him and referred to one of them as a “crazy bitch.” He complained to colleagues that the woman he was staying with “won’t sleep with me because she has her period” and he commented that a woman had “skidmarks in her panties.” He fell asleep at his desk, did not know how to use Microsoft Office, sent emails full of typos, and claimed that deals were done when they weren’t.

2. After two months, he was placed on a performance improvement plan. A month later, he was fired and began plotting his revenge. This defamation action arises out of lies that Mr. Johnson spread to a global internet audience on Twitter—lies that he experienced “racial discrimination” because he “wasn’t offered equity, while similarly situated white employees were” and that Mrs. Yorio sexually harassed him. As the attached documents prove—including a document that Mr. Johnson himself signed—Mr. Johnson received equity just like everyone else, and he made up the sexual harassment claim to avoid arbitration and to publicly shame and disgrace Mrs. Yorio, a married mother of two.

3. Mr. Johnson never reported any kind of racial discrimination or sexual harassment during his three months at the company. Because it never happened.

4. After he was fired, Mr. Johnson asked to stay on as a consultant for Everyrealm, further rebutting the lie that he had been discriminated against or sexually harassed at the company.

5. When that didn’t work, Mr. Johnson sent a letter (through counsel) claiming he had suffered race-based pay discrimination, but he still did not claim that he had been sexually harassed.

6. It was only after Mr. Johnson learned that his bogus racial discrimination claim would be subject to mandatory arbitration that he invented the false claim of sexual harassment to avoid arbitration by fraudulently exploiting the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act.

7. Before bringing this action, Mrs. Yorio (through counsel) asked Mr. Johnson to tell the truth, retract his lies, and apologize. After receiving that request, Mr. Johnson was forced to admit (through counsel) to a court in New York that he had in fact received equity at Everyrealm. Yet Mr. Johnson let the false tweet remain up for five more days before having it taken down, and he has not yet retracted his lies or apologized.

8. Mrs. Yorio and her company, Everyrealm Inc., are filing this suit because they believe they have a duty to their employees and investors to set the record straight and to recover damages for the harm Mr. Johnson’s lies have caused.

PARTIES

9. Plaintiff Janine Yorio is a citizen of New York and lives in New York, New York.

10. Plaintiff Everyrealm Inc. is a Delaware corporation with a principal place of business in New York, New York.

11. On information and belief, Defendant Teyo Johnson is a citizen of Nevada and lives in Las Vegas, Nevada.

JURISDICTION AND VENUE

12. This Court has subject matter jurisdiction over this suit pursuant to 28 U.S.C. §1332 because there is complete diversity of citizenship between Plaintiffs and Defendant and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

13. This Court has personal jurisdiction over Mr. Johnson pursuant to NRS 14.065 because Mr. Johnson is domiciled in Nevada.

14. Venue is proper in this Court under 28 U.S.C. §1391(b)(1) because Mr. Johnson resides in this judicial district.

FACTUAL ALLEGATIONS**A. Johnson Squanders a Golden Opportunity.**

15. In April 2021, after working in real estate and finance and serving as the CEO of a fintech real estate investing app, Janine Yorio cofounded Everyrealm Inc., a technology company.

16. In early 2022, Mr. Johnson applied to work at Everyrealm and submitted a resume that boasted of success in private equity and business development over the past two years.

17. Mrs. Yorio hesitated to hire Mr. Johnson because he lacked relevant experience in Everyrealm's industry and did not live in New York where the company's office is located, but she decided to give him a chance because an Everyrealm employee named Kevin Virgil was friends with Mr. Johnson, vouched for him, and insisted that having an ex-NFL player on the Everyrealm team would open doors and lead to business partnerships. Mr. Johnson also came recommended by an Everyrealm investor, Bart Seidler.

18. On February 24, 2022, Everyrealm offered Mr. Johnson a job as a Level 1 Director reporting to his friend Kevin Virgil, \$125,000 in base salary, \$40,000 in discretionary year-end


bonus, and the right to take part in the company's employee revenue sharing plan subject to usual vesting.¹

19. Mr. Johnson's discretionary bonus was more than what was offered to anyone at his level. And while Everyrealm required other employees to report to the company's office in Manhattan every week, Everyrealm made an exception for Mr. Johnson, requiring him to report to the office only two weeks per month so that he could continue living in Las Vegas, where the cost of living is much lower. This accommodation came at considerable expense because the company paid Mr. Johnson's travel expenses when he worked from New York. Adjusted for the lower cost of living in Las Vegas, Mr. Johnson's compensation was effectively \$211,750, making him the highest compensated Level 1 Director at Everyrealm.²


20. Mr. Johnson received equity on the same schedule as his counterparts, and he signed his stock option agreement.³

EVERYREALM INC.	
2021 EQUITY INCENTIVE PLAN	
STOCK OPTION AWARD AGREEMENT	
<p>You (the "Grantee") have been granted an option (the "Option") to purchase Shares, subject to the terms and conditions of this Stock Option Award Agreement (this "Agreement") and the Republic Realm Inc. (n/k/a Everyrealm Inc.) ("Everyrealm") 2021 Equity Incentive Plan, as may be amended, modified or restated from time to time (the "Plan"). Unless otherwise defined in this Agreement, the terms defined in the Plan shall have the same defined meanings in this Agreement. In the event of a conflict between this Agreement and the Plan, the provisions of the Plan shall control.</p>	
1. <u>Award Details.</u>	
Grantee's Name	<u>Teyo Johnson</u>
Grantee's Address	<u>[REDACTED]</u> <u>Las Vegas, NV 89109</u>
Grantee's Email Address	<u>[REDACTED]</u>
Grant Date	<u>April 25, 2022</u>
Vesting Commencement Date	<u>February 28, 2022</u>
Exercise Price (per Share)	<u>\$48.46</u>
Type of Shares	<u>Class A Common Shares</u>
Total Number of Shares Subject to the Option	<u>500</u>
Type of Option	<input checked="" type="checkbox"/> Incentive Stock Option <input type="checkbox"/> Non-Qualified Stock Option

GRANTEE

By: 

Name: Teyo Johnson



Everyone has signed Teyo, your Everyrealm Stock Option Grant is ready!

SIGNERS

Janine Yorlo [REDACTED]

Teyo Johnson [REDACTED]

You can view the document as an attachment below (if it's under 25 MB). This document and others may also be accessed by logging in to your HelloSign account.

¹ Teyo Johnson's Employment Offer and Employment Agreement (Ex. 1).

² See *Cost of Living Comparison Between New York, NY vs Las Vegas, NV*, Salary.com, available at, <https://www.salary.com/research/cost-of-living/compare/new-york-ny/las-vegas-nv>.

³ See Apr. 25, 2022 Email titled "Q2 Stock Option Grant awards," from Kathy Yost to Teyo Johnson and others (Ex. 2); Stock Option Award Agreement between Teyo Johnson and Everyrealm (Ex. 3); Apr. 25, 2022 Email titled "Everyone has signed, Teyo, your Everyrealm Stock Option Grant is ready!" (Ex. 4).

21. Mr. Johnson, who holds himself out as a private equity specialist, knew that he had received equity.

22. Mr. Johnson's employment at Everyrealm began on March 1, 2022. During his three months at the company, he made misogynistic remarks to and about women, abused his expense account, fell asleep at his desk, sent emails full of typos, failed to promptly respond to urgent business demands, and claimed that deals were done when they were not.

23. Just two months into the job, on April 29, 2022, Mr. Johnson's friend Kevin Virgil—who had vouched for Mr. Johnson and was supervising him—put Mr. Johnson on a written performance improvement plan.

24. A month later, on May 31, 2022, after Mr. Johnson had failed to satisfy the requirements of the plan, he was fired by Mr. Virgil and the company's HR Director Kathy Yost.

25. During his brief employment at Everyrealm, Mr. Johnson never reported that he had experienced any kind of racial discrimination or sexual harassment.

26. After he was fired, Mr. Johnson asked if he could keep working for Everyrealm as a consultant, which further rebuts the lie that he had suffered discrimination or sexual harassment.

B. Johnson Fabricates False Accusations of Racial Discrimination and Sexual Harassment.

27. On July 11, 2022, Mr. Johnson (through counsel) sent a letter to Everyrealm, falsely claiming that he had suffered race-based pay discrimination, but he did not claim that he had been sexually harassed.

28. Mr. Johnson never claimed that Mrs. Yorio had sexually harassed him until *after* he learned that an accusation of sexual harassment would enable him to evade arbitration. He invented the false sexual harassment accusation to avoid arbitration and to publicly shame, disgrace, and damage Mrs. Yorio, her husband, her children, and her company.

29. On or around May 31, 2023, Mr. Johnson gave an interview for publication on Twitter, and he falsely claimed that while employed at Everyrealm, he "wasn't offered equity, while similarly situated white employees were" and that he experienced "racial discrimination and sexual

1 harassment directly from the CEO.” In so doing, Mr. Johnson approved and participated in the
2 promotion of his lies to a worldwide internet audience.

3 **C. Mrs. Yorio Asks for an Apology and Retraction.**

4 30. On June 2, 2023, Mrs. Yorio and her company (through counsel) sent Mr. Johnson
5 evidence proving that he had received equity at Everyrealm, and asked him to retract and apologize
6 for his false claims of racial discrimination and sexual harassment.

7 31. After receiving that request, Mr. Johnson let the false tweet remain up for five more
8 days, until it had gotten over 1,300 views, before having it taken down, and he has not yet retracted
9 his lies or apologized.

10 **FIRST CLAIM FOR RELIEF: LIBEL *PER SE***

11 32. Plaintiffs repeat and re-allege the above as if set forth fully herein.

12 33. During a videorecorded interview published on Twitter on May 31, 2023,
13 Mr. Johnson made the following false and defamatory statements of fact about Mrs. Yorio and
14 Everyrealm: “I wasn’t offered equity, while similarly situated white employees were” and “I
15 experienced both racial discrimination and sexual harassment directly from the CEO.”

16 34. Mr. Johnson’s statements are objectively and provably false accusations that were
17 meant to, and in fact did, falsely state and convey that Mrs. Yorio and Everyrealm racially
18 discriminated against Mr. Johnson by failing to offer him equity in Everyrealm while offering
19 equity to his similarly situated white counterparts, that Mrs. Yorio sexually harassed Mr. Johnson,
20 and that Everyrealm failed to prevent its CEO from sexually harassing an employee.

21 35. As set forth in detail above, these statements are false.

22 36. These statements are reasonably understood to be statements of fact and were
23 understood by people who heard them to be statements of fact and of and concerning Mrs. Yorio
24 and Everyrealm, including because Mr. Johnson specifically identified Everyrealm by name and
25 referred to Everyrealm’s CEO, who is Mrs. Yorio.

26 37. These statements are defamatory because they expose Mrs. Yorio and Everyrealm
27 to public hatred, shame, contempt, ridicule, aversion, ostracism, and disgrace.
28

1 38. These statements are defamatory *per se* because they tend to injure Mrs. Yorio and
2 Everyrealm in their profession and business and tend to expose them to hatred, contempt, and
3 aversion in the minds of a substantial number of people in the community.

4 39. Mr. Johnson had no applicable privilege or legal authorization to make these false
5 and defamatory statements.

6 40. Mr. Johnson published these statements to the public at large with actual malice in
7 that he had actual knowledge his statements were false at the time that he made them because he
8 had received emails from Everyrealm about his equity, because he had received and signed his
9 stock option award agreement, and because he never experienced racial discrimination or sexual
10 harassment at Everyrealm, as evidenced by the fact that his own contemporaneous emails rebut
11 those claims, the fact that he never reported any discrimination or harassment while at Everyrealm,
12 and the fact that he never claimed to be the victim of sexual harassment until after he learned it
13 would enable him to evade arbitration.

14 41. Mr. Johnson made these false and defamatory statements intentionally, willfully,
15 maliciously, with wanton dishonesty and in conscious disregard of Mrs. Yorio and Everyrealm's
16 rights and reputation and the truth, and with intent to cause injury to Mrs. Yorio and Everyrealm.

17 42. Mr. Johnson's false accusations have subjected Mrs. Yorio to public shame and
18 disgrace, and have caused substantial harm to her and the company she cofounded and built.

19 43. Mr. Johnson's false accusations have damaged Everyrealm's reputation and investor
20 relationships, impaired Everyrealm's ability to attract investors and recruit employees, diverted
21 management's attention and resources, endangered Everyrealm's current and future contracts, and
22 impaired Everyrealm's enterprise value.

23 44. As a result of Mr. Johnson's false statements, Everyrealm has been forced to allocate
24 over \$100,000 in an attempt to mitigate the harm to its business and its CEO's reputation. Those
25 out-of-pocket expenses will continue to increase every day that Mr. Johnson refuses to tell the truth
26 and publicly apologize for his false accusations.

27 45. On June 2, 2023, Everyrealm and Mrs. Yorio sent Mr. Johnson a written demand
28 letter, specifying the false and defamatory statements Mr. Johnson made in the video-recorded

interview and requesting that he retract those statements and apologize. Although Mr. Johnson had the tweet deleted, he waited five days to do so, and he has not retracted his lies or apologized.

46. Because of the foregoing, Plaintiffs are entitled to compensatory damages, including actual, presumed, and other damages, in amount according to proof at trial, not less than \$100,000.

47. Mr. Johnson acted with hatred, ill will, and spite toward Mrs. Yorio and Everyrealm, and his conduct was intended to cause harm to them, was wonton, malicious, and carried out his reckless disregard for others, entitling Plaintiffs to an award of punitive damages.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that the Court enter an award in their favor, and against Mr. Johnson as follows:

1. An award of compensatory and punitive damages in an amount to be determined at trial; and
2. Any and all other and further relief as the Court may deem just and proper.

JURY DEMAND

Plaintiffs Janine Yorio and Everyrealm Inc. hereby demand a trial by jury on all claims so triable.

Dated: June 8, 2023

**BROWNSTEIN HYATT
FARBER SCHRECK, LLP**

By: /s/ Mitchell J. Langberg
MITCHELL J. LANGBERG
TRAVIS F. CHANCE

CLARE LOCKE LLP⁴

MEGAN L. MEIER (*pro hac vice* forthcoming)
DANIEL P. WATKINS (*pro hac vice* forthcoming)

*Attorneys for Plaintiffs
Janine Yorio and Everyrealm Inc.*

⁴ Pursuant to LR IA 11-2(c), Megan L. Meier and Daniel P. Watkins will comply with LR IA 11-2 within 1 day, as each is submitting a petition in compliance with LR IA 11-2 for filing concurrently with this Complaint.

INDEX OF EXHIBITS

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